

April 3, 1975

PRESIDENT: Senator Cavanaugh.

SENATOR CAVANAUGH: I missed some of the debate on this. I would like to ask Senator Kelly two questions. Do you yield?

SENATOR KELLY: Yes sir.

SENATOR CAVANAUGH: Is there a fiscal impact on this Senator Kelly?

SENATOR KELLY: I do not have a fiscal impact but it would immediately available as soon as the amendment is.... something done with it.

SENATOR CAVANAUGH: What do you expect it to cost?

SENATOR KELLY: I don't expect it to cost anymore then what we are now exempting for food and on the basis that we're going to do away with all of the exemptions. We're going to return money to the citizen. Now if there is a fiscal impact, that no doubt will be in the \$13 to \$15 change which would be \$2. That would be about 15 percent. About 15 percent would be the most fiscal impact that there would be.

SENATOR CAVANAUGH: Fifteen percent of what?

SENATOR KELLY: That's correct. If there are a million and one half people at \$2 per person, three million dollars should be the maximum negative impact. In other words there would be a reduction in revenue.

SENATOR CAVANAUGH: What's the \$2 per person?

SENATOR KELLY: From thirteen to fifteen. My amendment would raise the refund from \$13 to \$15. If every citizen received this as they should....

SENATOR CAVANAUGH: What we're talking about now under the present system, every citizen doesn't receive it. Right? That's one of the problems?

SENATOR KELLY: That's correct.

SENATOR CAVANAUGH: So there will be a substantially larger impact? I mean you can't take present figures because everybody isn't receiving the refund.

SENATOR KELLY: By the same token, we're going to be closing all of the loop holes. So we'll be collecting many more hundreds of thousands of dollars on food tax then we ever collected before. But we will be returning that back to the people.

SENATOR CAVANAUGH: Okay now, administratively, who in the state of Nebraska has records on every man, woman and child?

SENATOR KELLY: I would imagine the Department of Health Vital Statistics.

SENATOR CAVANAUGH: You don't know though?

SENATOR KELLY: I do not know.